BRITISH COLUMBIA

BC STATS

Ministry of Management Services

Infoline

Contact: bcstats.infoline@gems6.gov.bc.ca *Issue: 04-16* *April 23, 2004*

- **BC inflation drops to 0.8%, the lowest rate in over two years**
- **The consumer bankruptcy rate was 23 per 10,000 people last year, far greater than in the 1970s**
- **In 2002, for the eighth straight year, the number of births in BC declined, falling 1.3%**

Prices

- **BC's inflation rate dropped to its lowest level in over two years in March**. Consumer prices were only 0.8% higher than their level in the same month of last year.

  A sharp drop in energy prices (-3.3%) was the major factor in the inflation slowdown. However, inflation was also lower for transportation (-2.1%), owned housing (+1.5%), food (+1.0%), and clothing (-0.8%).

  Despite the cooling off of consumer prices, BC still had the second highest inflation rate in country. Nationally, inflation held steady at 0.7% in March. Ontario had the highest rate (+1.1%). In contrast, three of the Atlantic provinces posted slight deflation (-0.1% in Newfoundland & Labrador, Nova Scotia, and New Brunswick). *Data Source: Statistics Canada*

The Economy

- **BC had the highest rate of long-term unemployment in the country in 2003**. Almost 13% of the unemployed in BC have been out of work for a year or longer. Nationally, the long-term unemployment rate was 10%. The lowest rate was in the Prairie provinces (4%), while Quebec (12%) had a long-term unemployment rate almost as high as the rate in BC. Overall, long-term unemployment is most prevalent among males, older workers, and those with little formal education.

  Data Source: SC, Catalogue no. 75-001-XIE

- **Sales of new motor vehicles in BC increased marginally in February (+0.5% *seasonally adjusted*)**. This follows five months of steady decline. Nationally, motor vehicle sales rebounded from a half-year slump, rising 7.7%. *Data Source: Statistics Canada*

Consumer Bankruptcy

- **There were 9,385 consumer bankruptcies in British Columbia last year, a rate of 23 bankruptcies per 10,000 population**. While the bankruptcy rate has been stable over the last four years, longer-term trends have seen soaring growth.

  In the 1976, the bankruptcy rate was only 4 per 10,000 population (less than one-fifth of the 2003 rate). Over the next decade consumer bankruptcy closely followed trends in unemployment—both unemployment and bankruptcies shot up during the recession of the early 1980s. But while unemployment rates gradually recovered in the late 1980s, bankruptcy rates continued to climb. By 2003, the bankruptcy rate in BC was nearly five times higher than in the mid 1970s. *Data Source: Industry Canada*

- **Despite the growth of bankruptcies, the province still has one of the lowest bankruptcy rates in Canada at 23 per 10,000 population**. The Canadian average is 27 per 10,000 people, with the highest rates in Newfoundland & Labrador (41), Nova Scotia (37), and Quebec (30). Only PEI (15) had a significantly lower rate than BC. *Data Source: Industry Canada*

- **Nationally, the growth of consumer bankruptcies follows changes in who is going bankrupt.** Surveys conducted by the federal government have found that, over a twenty-year period, consumer bankruptcies are increasingly comprised of women and those with student loans. In 1997, women made up 41% of bankruptcy claimants, up from 25% in the late 1970s. Further, the share of those with student loans has risen from only 1% in the late 1970s to 25% in 1997. *Data Source: Industry Canada*

Report Immigrants from India and China

Did you know...
There are 4.3 Starbucks coffee stores per 100,000 population in BC. This is more than 3 times the national Starbucks-to-population ratio.

- **The rise in consumer bankruptcies also likely reflects the emergence of the credit card society**. Last year, there were 50.4 million credit cards in circulation (Visa and MasterCard only)—1.6 cards for every man, woman, and child in the country. Since 1977, the number of Visa and MasterCards has grown 516%. Total outstanding balances on these cards rose from $1.4 billion in 1977 to $49.8 billion last year, a twenty-six year growth rate of 3,500%.

  The expansion of relatively 'easy credit' at high interest rates may well have contributed to the growth of consumer bankruptcies.

  Data Source: Canadian Bankers Association

Births

- **There were 40,065 births in BC in 2002, a 1.3% decline from 2001.** The number of births in BC has declined in each of the last eight years. The total number of births in Canada was also down, falling 1.5%. Part of the reason for the decline may be that more women are choosing to delay having children. BC's first-time mothers were tied with Ontario's as the oldest, on average, at 28.5 years. *Data Source: Statistics Canada*

- **At 1.38, the total fertility rate (TFR) in BC (i.e., the average number of children that women aged 15 to 49 will have in their lifetime) was the third lowest in the country, ahead of only Newfoundland and Labrador (1.31) and Nova Scotia (1.37).** The Canadian TFR in 2002 was 1.50. Nunavut (3.04) had by far the highest TFR, followed by the Northwest Territories (1.89), Saskatchewan (1.82) and Manitoba (1.80). Declining fertility rates have driven Canada's crude birth rate (the number of live births per 1,000 people) to its lowest point since vital statistics have been produced. The 10.5 live births per 1,000 population recorded in 2002 was 25.4% lower than that posted a decade earlier.

  Data Source: Statistics Canada

Infant Mortality

- **Babies born to parents in low-income neighbourhoods in BC have significantly higher rates of infant mortality**. For children born in the wealthiest 20% of neighbourhoods, infant mortality averages 5.2 per 1,000 live births. For those born in the poorest 20% of neighbourhoods, infant mortality is 7.6—some 49% higher compared to the wealthiest neighbourhoods. Similarly, the rate of stillbirths is 52% higher in the poorest neighbourhoods. Other risks to infant health are also over-represented in low-income neighbourhoods, such as low birth weight (27% higher), and small size for gestational age (31% higher).

  These findings are based on a study of nearly 900,000 births in BC between 1981 and 2000.

  Data Source: BC Vital Statistics

The Nation

- **National sales of large retailers slipped 0.6% in February (seasonally adjusted).** Sales of big-ticket items like furniture, home furnishings and electronics grew a robust 3.4%, likely fuelled by near record high levels of housing purchases. However, sales of food and beverages (-1.8%) and "other goods and services" (-5.4%) dropped significantly, offsetting the growth in the sales of big-ticket items.

- **Foreign investors divested themselves of Canadian securities, stocks and bonds in February, more than reversing large increases in January.** The $7.6 billion sell-off of Canadian securities was mostly comprised of debt securities, while existing federal bonds were behind the $4.2 billion withdrawal in holdings of Canadian bonds. The $1.8 billion drop in foreign shares of Canadian stocks was due to the foreign takeover of a Canadian company and a subsequent exchange of Canadian shares for foreign shares.

  While foreigners were divesting themselves of Canadian investments, Canadians were embracing foreign investments, increasing their holdings of foreign securities, stocks and bonds.

  Data Source: Statistics Canada

- **The composite index, an index of leading economic indicators, climbed 0.7% in March, following similar increases of 0.6% in January and February.** *Data Source: Statistics Canada*

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BC STATS, Box Stn Prov Govt, Victoria. BC V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: www.bcstats.gov.bc.ca E-mail: bcstats.infoline@gems6.gov.bc.ca

Infoline Report

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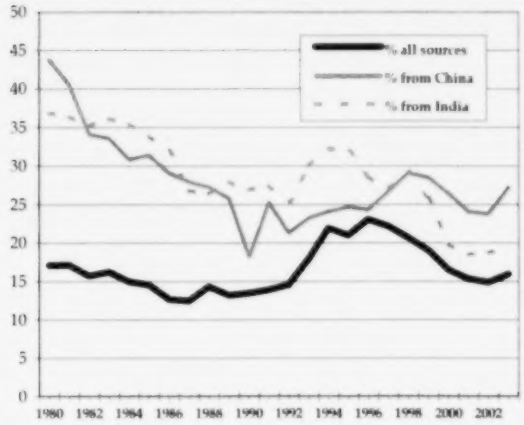
Contact: Jennifer Hansen (250) 387-0337
Originally published in *Immigration Highlights*, Issue 04-3. Annual Subscription $30 +GST

Immigrants from India and China

India and China have long been important sources of immigrants to BC. Recent immigration statistics show that these two countries accounted for 40% of the 145 thousand immigrants to BC during the period 2000–03. Immigrants from China and India tend to differ in terms of age, educational levels, language ability and the immigrant class under which they were admitted. This article will examine these differences as well as some changes in the characteristics of immigrants from India and China over the period of 1980 to 2003.

Figure 1: Percent of Immigrants to Canada Destined to BC

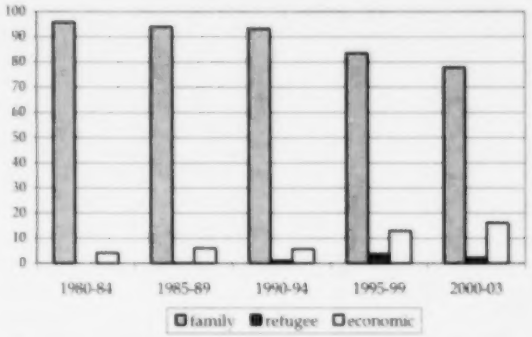


Source: Citizenship and Immigration Canada

BC has received a substantial proportion of the total immigration to Canada over the last 23 years. In 2003, 16% of all immigrants chose BC as their preferred destination. BC's share of immigrants has declined from the highs in 1980 of 37% of all Indian immigrants and 44% of all Chinese immigrants. However, in 2003, 27% of Chinese immigrants and 19% of Indian immigrants chose to settle in BC.

Immigrant Class

Figure 2: Immigrants from India to BC by Class (%)



Source: Citizenship and Immigration Canada

India has been the dominant contributor of Family Class immigrants to BC for the past 23 years, accounting for 30% of BC immigrants in this class. As Figure 2 shows, from 1980 to 1994, over 90% of Indian immigrants to BC were admitted to Canada under the Family Class. BC receives a large share of the total Indian Family Class immigrants to Canada, with about a third intending to settle here.

Figure 2 also demonstrates a slight increase in Indian refugees[1] to BC from 1980 to 2003. During the 1980s, the Refugee Class made up less than 1% of Indian immigrants to BC. This share increased slightly during the 1990s, peaking in 1998 at 6%.

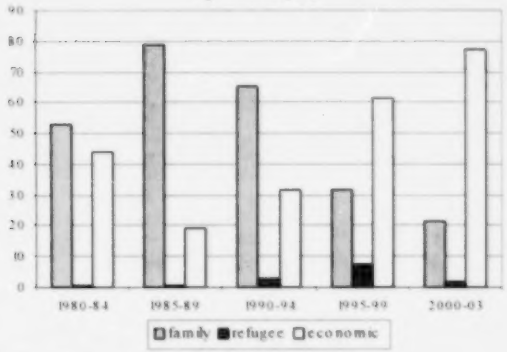
An increasing proportion of Indian arrivals in BC are economic immigrants.[2] This change is mainly due to an increase in the Other Inde-

[1] Refugee Class includes Convention Refugees as well as those in the Designated Class.

[2] Economic Class includes those admitted in Assisted Relatives, Entrepreneurs, Investors, Self-Employed and Other Independent categories

pendents Class, from 2% of Indian immigrants to BC in 1980 to a high of 15% in 2001. Despite this, BC seems to be less successful in attracting Indian immigrants in this class than in the past. More Indian immigrants are entering Canada under this class but BC is attracting a lesser share of the total. From 1980–84, 16% of all Indian immigrants in this class chose BC. Since that time, BC's share of the national total has declined substantially, and by 2000–03 BC was the preferred destination of only 7% of Indian immigrants in the Other Independents Class.

Figure 3: Immigrants from China to BC by Class (%)



Source: Citizenship and Immigration Canada

Figure 3 shows that China has typically contributed a substantially smaller proportion of Family Class immigrants to BC than India. Since 1985–89, the proportion of family immigrants has declined while those in the economic classes have increased. In 2003 about one quarter of Chinese immigrants to BC were admitted under the Family Class.

China has been a 'top-five' source country for much of the last two decades and since 1999 has been the origin of about one-third of BC's economic immigrants. From 1980 to 2003 some changes in the class of BC's economic immigrants from China occurred. During the 1980s, the Other Independent Class formed a minor share of Chinese immigrants. From 1990 on, this category of immigrants increased dramatically and by 2003, 57% of Chinese immigrants to BC were Other Independents. Investor class immigrants to BC from China have increased substantially over the last 23 years. From 1980 to 1992 it was a very small proportion of Chinese immigrants to BC. An increase in the proportion of this class is apparent from 1993 on, and by 2001–03, over 10% of immigrants from China to BC were admitted in the Investor Class.

Table 1: Percent of Immigrants from China to Canada

	1980-84	1985-89	1990-94	1995-99	2000-03
Assisted Relatives	41(18)	24(9)	18(14)	27(27)	26(17)
Entrepreneurs	20(20)	27(23)	29(27)	34(32)	36(28)
Self-Employed	29(21)	23(12)	20(21)	28(32)	35(24)
Investor	–	43(46)	56(53)	35(46)	37(34)
Other Independents	26(12)	14(11)	18(14)	26(21)	25(15)
BC(all sources)	16	13	16	21	16

Note: Numbers in brackets represent the percentage of total Canadian immigrant admitted under the selected classes who settled in BC

Source: Citizenship and Immigration Canada

As Table 1 shows, while BC received a declining proportion of Chinese Assisted Relative Class immigrants from 1980–84 to 2000–03, its share of immigrants in the Self-Employed and Entrepreneur Classes has increased over the last 23 years. BC also attracts a large share of Canada's Investor Class immigrants from China. In 2002, almost half of the Chinese immigrants admitted to Canada under this class chose BC. In 2003, this figure was almost 60%.

In general, over the past 23 years, the inflow of refugees from China to BC has not been significant. However, the proportion of Refugee Class immigrants from China spiked in 1996 amounting to 17% of total Chinese immigrants to BC. Higher than usual proportions of Chinese refugees to BC reflects the same phenomenon at the national level. The inflow of Chinese refugees to BC was higher for much of the 1990s than it was in the 1980s, reflecting a pattern evident at the national level.

Education

Table 2: Percent of Immigrants to BC by Years of Schooling*

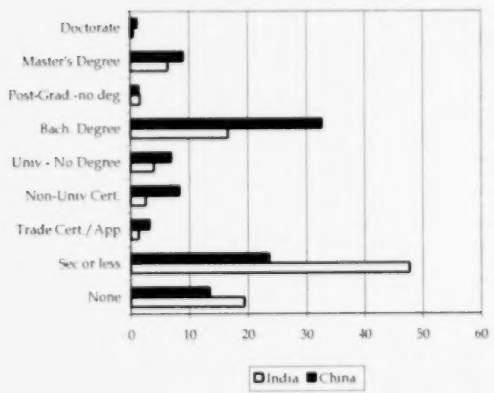
	From China		From India	
Yrs.of Schooling	1980–84	2000–03	1980–84	2000–03
Less than 13	73	26	49	46
13 or more	7	60	13	35

*Percentages do not add to 100 because immigrants with 'unknown' years of education are not presented here.

Source: Citizenship and Immigration Canada

As Table 2 demonstrates, overall, the educational level of immigrants to BC from these two countries has increased during the period from 1980 to 2003. The proportion of Indian immigrants who had 13 years or more of schooling increased from 13% in 1980–84 to 35% in 2000–03. A dramatic increase in educational level is seen among Chinese immigrants to BC. In 1980–84 only 7% had 13 or more years of schooling. By 2000–03, this proportion had jumped to 60%. Between 1980–84 and 2000–03 the proportion of Chinese immigrants with 12 or less years of education dropped by 47 percentage points. In contrast, the proportion of Indian immigrants with the same number of years of schooling declined by only about 3%.

Figure 4: BC Immigrants by Education Level (Landed 2000-03)



Although recent Indian immigrants have more education than earlier immigrants, BC is still receiving roughly the same proportion with 12 or less years of education.

Figure 4, depicting education level of recent immigrants, demonstrates that Chinese arrivals are more likely to have a post-secondary education at the time of landing than are Indian immigrants. Differences in education could be due to the respective classes under which most new arrivals from China and India are admitted. A high proportion of Indian immigrants are Family Class, where educational qualification was not part of the admitting criteria.

English Language Skills

The majority of recent immigrants from both India and China did not have adequate English language skills at the time of landing. Among immigrants who landed in 2000–03, 21% of those from China and 33% of those from India reported English language skills. The proportion of immigrants to BC with language skills has increased from the earlier landing period of 1980–84, when only 4% of Chinese immigrants and 16% of Indian immigrants had skills in English.

Table 3: Percent in Selected Age Groups

	0-19		20-34		35-49		50+	
	1980-84	2000-03	1980-84	2000-03	1980-84	2000-03	1980-84	2000-03
India	22	16	38	48	7	13	33	24
China	29	22	34	41	14	28	23	9
BC*	27	26	38	36	13	26	22	12
Canada*	29	28	40	38	13	24	18	9

* Percentages for BC and Canada represent immigrants from all sources

Source: Citizenship and Immigration Canada

Age

Immigrants from India tend to be older than both immigrants from China and those arriving in BC and Canada from all sources. In both 1980–84 and 2000–03, the age distribution of Indian immigrants was quite different than that for BC immigrants as a whole. The Indian pattern favouring young adults and those 50 years and older has been relatively consistent over the last 23 years. The proportion of those Indian immigrants 50+ years has declined since the 33% recorded in 1980–84, but it remains significantly higher than the 12% for BC and the 9% for Canada in 2000–03. Perhaps because few Indian immigrants are admitted under the economic classes, a relatively smaller proportion of Indian immigrants were in the 35 to 49 year age group. The age distribution of Chinese immigrants to BC more closely follows the distribution pattern of landings as a whole during both time periods.

Family reunification has always been an important theme in Canadian immigration policy, as is the need to attract skilled worker and business class immigrants. It is expected that both India and China will continue to be important sources of immigration to BC and to Canada.

Definitions

Assisted Relatives Class – Includes relatives (distant) who are assessed against economic selection criteria, but also receive "points" because family members already in Canada are willing to help them become established.

Business Immigrants – Includes immigrants in the Entrepreneur, Investor, or Self-Employed Class.

Convention Refugee – Includes those persons who meet the definition specified by the United Nations Refugee Convention.

Designated Class – Includes those persons, assessed under relaxed immigrant selection criteria, who do not qualify as convention refugees under the United Nations' definition of refugees. In this article, Designated Class also includes persons under the Deferred Removal Order Class in which landed immigrant status was granted to applicants or unqualified refugees claimants after a deportation decision was revoked.

Economic Immigrants – Includes immigrants in the Assisted Relatives, Other Independents, Entrepreneur, Self-Employed, or Investor Class.

Family Class – Includes spouses, fiancés, dependent children, and parents or grandparents sponsored by a Canadian citizen.

Investor Class – Includes those persons (and dependents) with a proven track record and substantial self-worth who are willing to make a large investment for at least three years in specified activities that will contribute to the creation or continuation of employment opportunities in Canada.

Other Independents – Includes those persons selected on the basis of the "points" system, which measures the potential for successful establishment in Canada.

Self-Employed Class – Includes those persons (and dependents) who intend to establish a business in Canada that will employ him/herself, and will make a significant contribution to the economy.

Infoline

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BC at a glance . . .

POPULATION (thousands)	Jan 1/04	% change on one year ago
BC	4,168.1	1.0
Canada	31,752.8	0.9
GDP and INCOME		
(BC - at market prices)	2002	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	135,552	2.7
GDP *($ 1997 millions)*	128,151	2.4
GDP *($ 1997 per Capita)*	31,143	1.5
Personal Disposable Income *($ 1997 per Capita)*	19,576	0.1
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Feb	3,164	1.9
Merchandise Exports - Feb	2,388	5.9
Retail Sales - Jan	3,429	0.6
CONSUMER PRICE INDEX		12-month avg
(all items - 1992=100)	Mar '04	% change
BC	121.6	1.7
Canada	123.6	1.9
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Mar '04	prev. month
Labour Force - BC	2,215	0.2
Employed - BC	2,041	0.3
Unemployed - BC	174	-0.3
		Feb '04
Unemployment Rate - BC *(percent)*	7.9	7.9
Unemployment Rate - Canada *(percent)*	7.5	7.4
INTEREST RATES (percent)	Apr 21/04	Apr 23/03
Prime Business Rate	3.75	5.00
Conventional Mortgages - 1 year	4.45	5.35
- 5 year	6.15	6.75
US/CANADA EXCHANGE RATE	Apr 21/04	Apr 23/03
(avg. noon spot rate) Cdn $	1.3589	1.4510
US $ *(reciprocal of the closing rate)*	0.7355	0.6891
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Mar '04	one year ago
BC	677.22	-0.7
Canada	680.53	3.4

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

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BC STATS, Ministry of Management Services, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: www.bcstats.gov.bc.ca E-mail: BC.Stats@gems8.gov.bc.ca